



Development of integrated resorts in Japan is seen as a potential boon to overall tourism. Osaka, Japan, already a popular tourist area, is one of the favorite cities to host a casino destination.

Legalization of Casinos in Japan

The Japan's Casino Implementation Bill

by Hitoshi Ishihara

On July 20, 2018, the Act to Implement Specified Integrated Resort Areas (the “Casino Implementation Act”) passed the Japanese Diet which legalized gambling to be operated by private entities in Japan. While there are many aspects which have been delegated to the determination by the ministry ordinance (in fact there are 331 items that are up for the ministry ordinance to determine), following are several key points of the Casino Implementation Act.

Size of casino facilities

While the Casino Implementation Act is still silent on the actual limitation on the size of the casino as this has been relegated to the cabinet ordinance (Article 41 of the Casino Implementation Act), the working team concerning the ruling party’s IR Implementation law issued their opinion regarding the size of the casino floor. Considering that the location and size has yet to be defined, rather than setting a limitation on the absolute value, it was determined that the gross floor area for the casino in IR facilities shall be limited to 3% or less.

The basis of the calculation shall be 3% of the “gross floor area” and not the land area, which should ensure the casino to be “only a part of the facilities.”

Limitation on the number of times of entry and means to verify identity

Chapter VII of the Casino Implementation Act provides for a strict limitation on the number of times of entry and entry fee to prevent problem gambling. While there is no limitation on the number of times of entry for non-Japanese residents, the Japanese residents are limited to “3 times in 7 days + 10 times in 28 (Article 69 of the Casino Implementation Act), and “My Number cards” shall be utilized for the verification of identity and the number of times of entry (Article 70 of the Casino Implementation Act).

Entry fee

The entry fee will be imposed to Japanese residents in the amount of 6,000 yen, the half of which shall be paid to the national government (Article 176 of the Casino Implementation Act) and the other half to the local government (Article 177 of the Casino Implementation Act).

Levy

While there was a discussion of whether a progressive system could be imposed, since this may reduce the incentive for entities to expand their business by additional investment and presents a risk to discourage investment to realize the commonwealth, the levy was fixed at the rate of 30% of gross gaming revenue, half of which shall be paid to the national government (Article 192 of the Casino Implementation Act) and the other half to the local government (Article 193 of the Casino Implementation Act).

Number of IR areas

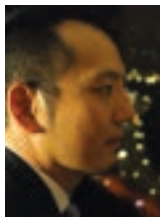
Article 9 of the Casino Implementation Act provides that the number of location shall be limited to three (3). However, the Casino Implementation Act provides that after five (5) years have passed since the first designation, the

Casino Implementation Act as a whole shall undergo a review and after seven (7) years have passed since the first designation of the IR, the number of location will be specifically reviewed giving consideration to local areas which desire and are preparing to establish the facilities while securing a period for determining the effect of IR (Article 4 of Supplementary Provisions to the Casino Implementation Act).

Relationship with cities where the facilities will be built

The Casino Implementation Act provides that the enforcement policy to be prepared by the local government requires consent of the city where the IR will be actually located (Article 6 of the Casino Implementation Act), requiring a method of consensus-building at the ground level.

As mentioned above, while the details on how to implement casinos are to be determined by the ministry ordinance, some of the major items which have been debated for some time are now clarified by the Casino Implementation Act to a certain extent, and it should be fair to say that Japan has taken a big step closer for the first ever opening of the legalized casinos. ♣



Hitoshi Ishibara has extensive focus and knowledge concerning Japanese gaming law, including the anticipated law change to legalise casino operations in Japan, and has been recognized as the Japanese Gaming Lawyer of the Year

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Austrian Online Gaming

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Government Programme

Elections took place in Austria in autumn 2017 and the new government (coalition between the Austrian People's Party and the Freedom Party of Austria) presented their joint “Government Programme 2017-2022.”

One of the defined goals of the new government is the “*incorporation of sports betting operators (online sports betting) into the GSpG [Austrian Gaming Act] and purposeful dedication to sport.*”

A Government Programme is inherently not very detailed and only presents objectives and implementation measures from a headline perspective. Nevertheless, including online sports betting in the agenda of the current government acts as a positive signal.

Looking Into the Future

The Austrian online gaming regulations are currently characterized by a prevailing fragmentation in the betting sector and a highly challenging situation impacting on online games of chance.

We are noticing an emergence of new facts, which could lead to a reevaluation of the conformity of the national monopoly on games of chance with EU law by all three Austrian supreme courts.

Recent developments such as the Government Programme and the (withdrawn) Ministerial Draft are strong indicators for upcoming changes shaping the Austrian regulatory landscape for online games of chance as well as for online betting.

Exciting times therefore lie ahead for the gaming industry in Austria. ♣